

MINUTES OF THE
MEETING
OF THE
AUDIT & COMPLIANCE COMMITTEE
FRIDAY, SEPTEMBER 25, 2009 – 9:30 AM.

Present:

Committee Members

Michele Bush
Thomas Hoffman
Fred Montgomery

Board Members

Ronald Powell

Staff

William Atwood
Johara El-Harazin
Emily Reid
Linsey Schoemehl
Katherine Spinato
Alise White

Guests

State Retirement Systems
Tim Blair
Marquette Associates
Brian Wrubel, Elizabeth Francis,
Nichole Roman-Bhatty

Absent:

Committee Members

James Clayborne, Jr.
Daniel Hynes

ROLL CALL

Chairman Bush called the meeting to order at 9:30 a.m. The Secretary called the roll and noted that a quorum was present.

MINUTES OF PREVIOUS MEETING

Judge Hoffman moved to approve the minutes of the Audit & Compliance Committee meeting held July 10, 2009, in the form previously submitted. Mr. Montgomery seconded and the motion passed unanimously.

FY 2009 STATUS OF AUDIT

Alise White reported that the financial fieldwork had begun and was on schedule.

STATUS OF IT PROJECT

Ms. White reported that the calendar and contact management software was functioning; the portfolio accounting was in the testing phase; and the data storage project would begin later in the year.

STAFF PERSONAL TRANSACTION REPORTS

Ms. Spinato reported that there were no exceptions to report to the Staff's Monthly Personal Interest Statements for the quarter ending June 2009.

COMMISSION RECAPTURE REPORT

Ms. Spinato stated that the Commission Recapture Report for the quarter ending June 2009, had previously been distributed. Mr. Montgomery moved to approve the Commission Recapture Report for the quarter ending June 30, 2009. Judge Hoffman seconded and the motion passed unanimously. (Official minutes contain attachment.)

RECORD OF VOUCHERS

Ms. Spinato stated that the Record of Vouchers for the months of April, May and June 2009, were previously distributed. Following review of the Records of Vouchers, Judge Hoffman moved to approve the Records of Vouchers for the months of April, May and June 2009. Mr. Montgomery seconded and the motion passed unanimously. (Official minutes contain attachments.)

UNFINISHED BUSINESS

Director Atwood distributed a memorandum "Board Member Time Sheets" dated September 25, 2009. (Official minutes contain attachment.) Discussion ensued regarding an ethics requirement that appointed Board members prepare timesheets. Following review, Mr. Montgomery moved to recommend to the Board the Director's proposal to amend the ISBI Code of Ethics for Board Members to reflect the statutory requirements; and that Governor appointed members submit timesheets to the Ethics Officer to be maintained by the Compliance Officer. Ms. Bush seconded and the motion passed unanimously.

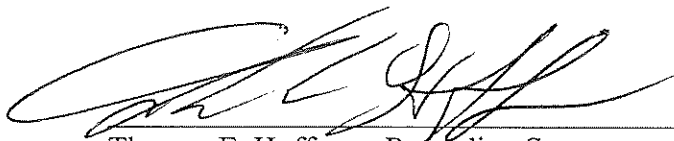
NEW BUSINESS

None.

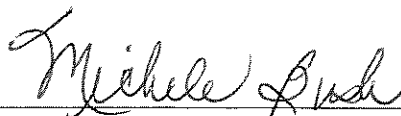
NEXT MEETING AND ADJOURNMENT

Chairman Bush stated that the next meeting of the Audit & Compliance Committee was scheduled to be held Friday, December 18, 2009. At 9:43 a.m., there being no further business to come before the Committee, Judge Hoffman moved to adjourn. Mr. Montgomery seconded and the meeting was adjourned.

Respectfully submitted,



Thomas E. Hoffman, Recording Secretary
Illinois State Board of Investment



Michele Bush, Chairman
Audit & Compliance Committee